

108TH CONGRESS
1ST SESSION

S. 821

To accelerate the commercialization and widespread use of hydrogen energy and fuel cell technologies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 8, 2003

Mr. HARKIN introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To accelerate the commercialization and widespread use of hydrogen energy and fuel cell technologies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Hydrogen and Fuel Cell Energy Act of 2003”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—HYDROGEN RESEARCH, DEVELOPMENT, AND
DEMONSTRATION

Sec. 101. Short title.

Sec. 102. Amendment of the Spark M. Matsunaga Hydrogen Research, Development, and Demonstration Act of 1990.

TITLE II—FEDERAL PURCHASES

Sec. 201. Stationary fuel cells in Federal buildings.

Sec. 202. Zero emission vehicles in Federal fleets.

TITLE III—TAX INCENTIVES

Sec. 301. Amendment of 1986 Code.

Sec. 302. Credit for fuel cell and hydrogen motor vehicles.

Sec. 303. Credit for installation of hydrogen fueling stations.

Sec. 304. Credit for retail sale of hydrogen fuel as motor vehicle fuel.

Sec. 305. Credit for stationary and portable fuel cells.

1 **TITLE I—HYDROGEN RESEARCH,** 2 **DEVELOPMENT, AND DEM-** 3 **ONSTRATION**

4 **SEC. 101. SHORT TITLE.**

5 This title may be cited as the “George E. Brown, Jr.
6 and Robert S. Walker Hydrogen Future Act of 2003”.

7 **SEC. 102. AMENDMENT OF THE SPARK M. MATSUNAGA HY-** 8 **DROGEN RESEARCH, DEVELOPMENT, AND** 9 **DEMONSTRATION ACT OF 1990.**

10 The Spark M. Matsunaga Hydrogen Research, Devel-
11 opment, and Demonstration Act of 1990 (42 U.S.C.
12 12401 et seq.) is amended to read as follows:

13 **“SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

14 “(a) **SHORT TITLE.**—This Act may be cited as the
15 “Spark M. Matsunaga Hydrogen Research, Development,
16 and Demonstration Act of 1990”.

17 “(b) **TABLE OF CONTENTS.**—The table of contents
18 of this Act is as follows:

“Sec. 1. Short title; table of contents.

- “Sec. 2. Finding.
- “Sec. 3. Purposes.
- “Sec. 4. Definitions.
- “Sec. 5. Coordination and consultation.
- “Sec. 6. Advisory panel.
- “Sec. 7. Interagency task force and coordination plan.
- “Sec. 8. Review by the National Academy of Sciences.

“TITLE I—HYDROGEN ENERGY AND FUEL CELL TECHNOLOGY

- “Sec. 101. Research and development.
- “Sec. 102. Demonstrations in conjunction with research and development.
- “Sec. 103. Public education, training, and technology transfer.
- “Sec. 104. Report.
- “Sec. 105. Authorization of appropriations.

“TITLE II—DEMONSTRATIONS

- “Sec. 201. Federal fuel cell and hydrogen infrastructure pilot projects.
- “Sec. 202. Hydrogen transportation corridor and regional pilot projects.
- “Sec. 203. International demonstrations.
- “Sec. 204. Demonstrations of renewable production of hydrogen.
- “Sec. 205. Operation, cost sharing, and reporting.

1 **“SEC. 2. FINDING.**

2 “Congress finds that it is in the national interest to
3 accelerate introduction of hydrogen energy and fuel cell
4 technologies in order to—

- 5 “(1) increase energy efficiency and security;
6 and
7 “(2) enable the use of clean, domestic, and re-
8 newable energy sources.

9 **“SEC. 3. PURPOSES.**

10 “The purposes of this Act are—

- 11 “(1) to direct the Secretary to conduct a re-
12 search, development, demonstration, and commercial
13 application program on hydrogen production, deliv-
14 ery, storage, and use technologies and fuel cell tech-
15 nologies;

1 “(2) to accelerate the commercialization and
2 widespread use of hydrogen energy and fuel cell
3 technologies in transportation, commercial, indus-
4 trial, residential, and utility applications, in order
5 to—

6 “(A) reduce the life cycle pollution and
7 greenhouse gas emissions from energy use;

8 “(B) enable widespread use of renewable
9 energy sources by allowing clean, efficient, and
10 flexible storage, transportation, and use of the
11 energy; and

12 “(C) promote the energy security of the
13 United States through use of domestic energy
14 sources and distributed energy infrastructure;

15 “(3) to reduce the costs of fuel cell stacks and
16 of hydrogen fuel;

17 “(4) to improve hydrogen storage and other
18 critical technologies;

19 “(5) to enable the economical and environ-
20 mentally sound use of renewable resources for the
21 production of hydrogen; and

22 “(6) to ensure the coordinated availability of
23 hydrogen-powered vehicles and the necessary refuel-
24 ing infrastructure.

1 **“SEC. 4. DEFINITIONS.**

2 “In this Act:

3 “(1) DEPARTMENT.—The term ‘Department’
4 means the Department of Energy.

5 “(2) PANEL.—The term ‘Panel’ means the Hy-
6 drogen and Fuel Cells Technical Advisory Panel es-
7 tablished by section 107(a).

8 “(3) SECRETARY.—The term ‘Secretary’ means
9 the Secretary of Energy.

10 **“SEC. 5. COORDINATION AND CONSULTATION.**

11 “(a) RESPONSIBILITY OF SECRETARY.—

12 “(1) IN GENERAL.—The Secretary shall have
13 overall management responsibility for carrying out
14 this Act.

15 “(2) ADMINISTRATIVE ACTIONS.—In carrying
16 out this Act—

17 “(A) the Secretary shall establish a central
18 point for the coordination of all hydrogen en-
19 ergy and fuel cell research, development, and
20 demonstration activities of the Department;

21 “(B) the Secretary and the Panel may ob-
22 tain assistance from, any other Federal agen-
23 cy—

24 “(i) on a reimbursable or non-
25 reimbursable basis; and

1 “(ii) with the consent of the Federal
2 agency; and

3 “(C) the Secretary shall consult with—

4 “(i) other Federal agencies, as appro-
5 priate; and

6 “(ii) the Panel.

7 “(b) DUPLICATION.—The Secretary shall ensure, to
8 the maximum extent practicable, that activities under this
9 Act do not—

10 “(1) duplicate any available research and devel-
11 opment results; or

12 “(2) displace or compete with privately-funded
13 hydrogen and fuel cell energy activities.

14 **“SEC. 6. ADVISORY PANEL.**

15 “(a) ESTABLISHMENT.—There is established an advi-
16 sory panel, to be known as the ‘Hydrogen and Fuel Cells
17 Technical Advisory Panel’, to advise the Secretary in car-
18 rying out this Act.

19 “(b) MEMBERSHIP.—

20 “(1) IN GENERAL.—The Secretary shall appoint
21 to the Panel not fewer than 9 nor more than 15
22 members, based on technical and other qualifica-
23 tions, from—

24 “(A) domestic industry;

25 “(B) universities;

1 “(C) professional societies;

2 “(D) Federal laboratories;

3 “(E) financial institutions;

4 “(F) environmental organizations; and

5 “(G) such other organizations as the Sec-
6 retary determines to be appropriate.

7 “(2) TERMS.—

8 “(A) IN GENERAL.—The term of a mem-
9 ber of the Panel shall not be more than 3 years.

10 “(B) STAGGERED TERMS.—The Secretary
11 may appoint members of the Panel in a manner
12 that allows the terms of the members serving at
13 any time to expire at spaced intervals so as to
14 ensure continuity in the functioning of the
15 Panel.

16 “(C) REAPPOINTMENT.—A member of the
17 Panel whose term expires may be reappointed.

18 “(3) CHAIRPERSON.—The Panel shall select a
19 Chairperson from among the members of the Panel.

20 “(c) REVIEW AND RECOMMENDATIONS.—

21 “(1) IN GENERAL.—The Panel shall review and
22 make any necessary recommendations to the Sec-
23 retary on—

24 “(A) the implementation and conduct of
25 programs under this Act;

1 “(B) the economic, technological, and envi-
 2 ronmental consequences of the deployment of
 3 hydrogen production, delivery, and use tech-
 4 nologies and fuel cell technologies; and

5 “(C) the coordination plan prepared by the
 6 task force under section 7(c).

7 “(2) CONSIDERATION BY SECRETARY.—

8 “(A) IN GENERAL.—The Secretary shall
 9 consider, but shall not be required to adopt, any
 10 recommendation of the Panel under paragraph
 11 (1).

12 “(B) REPORT.—The Secretary shall in-
 13 clude in the report under section 104—

14 “(i) for each recommendation of the
 15 Panel implemented by the Secretary, a de-
 16 scription of the progress made in imple-
 17 menting the recommendation; and

18 “(ii) for each recommendation of the
 19 Panel that is not implemented by the Sec-
 20 retary, an explanation of the reasons why
 21 the recommendation was not implemented.

22 “(d) SUPPORT.—The Secretary shall provide such
 23 staff, funds, and other assistance as are necessary to en-
 24 able the Panel to carry out the responsibilities of the
 25 Panel.

1 **“SEC. 7. INTERAGENCY TASK FORCE AND COORDINATION**

2 **PLAN.**

3 “(a) ESTABLISHMENT.—Not later than 120 days
4 after the date of enactment of the Hydrogen and Fuel Cell
5 Energy Act of 2003, the President shall establish an inter-
6 agency task force to coordinate Federal hydrogen and fuel
7 cell energy activities.

8 “(b) MEMBERSHIP.—The task force shall include—

9 “(1) the Director of the Office of Science and
10 Technology Policy, who shall act as chairperson; and

11 “(2) representatives of—

12 “(A) the Department of Energy;

13 “(B) the Department of Transportation;

14 “(C) the Department of Defense;

15 “(D) the Department of Commerce (in-
16 cluding the National Institute for Standards
17 and Technology);

18 “(E) the Environmental Protection Agen-
19 cy;

20 “(F) the National Aeronautics and Space
21 Administration;

22 “(G) the Department of State; and

23 “(H) such other Federal agencies as the
24 President considers appropriate.

25 “(c) COORDINATION PLAN.—The task force shall
26 prepare a comprehensive coordination plan for Federal hy-

1 drogen and fuel cell energy activities, which shall include
2 a summary of those activities.

3 “(d) REPORT.—Not later than 1 year after the date
4 on which the President establishes the task force, the task
5 force shall submit to Congress a report that includes—

6 “(1) the coordination plan under subsection (c);
7 and

8 “(2) a description of actions taken to ensure
9 interagency coordination of Federal hydrogen and
10 fuel cell energy activities.

11 **“SEC. 8. REVIEW BY THE NATIONAL ACADEMY OF**
12 **SCIENCES.**

13 “Not later than June 30, 2006, and at least every
14 4 years thereafter, the National Academy of Sciences
15 shall—

16 “(1) complete a review of—

17 “(A) the progress made through Federal
18 hydrogen and fuel cell energy programs and ac-
19 tivities; and

20 “(B) the need for modified or additional
21 programs; and

22 “(2) submit to Congress a report that describes
23 the results of the review.

1 **“TITLE I—HYDROGEN ENERGY**
2 **AND FUEL CELL TECHNOLOGY**

3 **“SEC. 101. RESEARCH AND DEVELOPMENT.**

4 “(a) PROGRAM.—The Secretary shall carry out a re-
5 search and development program relating to hydrogen pro-
6 duction, delivery, storage, and use technologies and fuel
7 cell technologies, the goal of which program shall be to
8 enable the safe, economical, and environmentally sound
9 use of hydrogen energy and fuel cells for industrial, com-
10 mercial, residential, transportation, and utility applica-
11 tions.

12 “(b) RESEARCH AND DEVELOPMENT AREAS.—In
13 carrying out the program under subsection (a), the Sec-
14 retary shall focus on critical technical issues, including—

15 “(1) the production of hydrogen, with emphasis
16 on cost-effective production from renewable energy
17 resources such as biomass, wind, and solar energy;

18 “(2) the delivery of hydrogen (including the
19 safe distribution and fueling);

20 “(3) the storage of hydrogen, including storage
21 in surface transportation;

22 “(4) the fuel cell technologies for transpor-
23 tation, stationary, and portable applications, with
24 emphasis on cost-reduction of fuel cell stacks; and

1 “(5) the use of hydrogen energy and fuel cells
2 in a variety of applications, including—

3 “(A) isolated villages, islands, and areas in
4 which other energy sources are not available or
5 are very expensive; and

6 “(B) foreign markets, particularly markets
7 in which an energy infrastructure is not well-de-
8 veloped.

9 “(c) CODES AND STANDARDS.—The Secretary
10 shall—

11 “(1) facilitate the development of domestic and
12 international codes and standards; and

13 “(2) seek to resolve other critical regulatory
14 and technical barriers preventing the introduction of
15 hydrogen energy and fuel cells into the marketplace.

16 “(d) FEDERAL FUNDING.—The Secretary shall carry
17 out the research and development activities authorized
18 under this section through solicitations of proposals and
19 evaluations using competitive merit review.

20 “(e) COST SHARING.—

21 “(1) IN GENERAL.—The Secretary shall require
22 a commitment from non-Federal sources of at least
23 20 percent of the cost of a proposed research or de-
24 velopment activity.

1 “(2) REDUCTION OR ELIMINATION.—The Sec-
 2 retary may reduce or eliminate the cost sharing re-
 3 quirement under paragraph (1)—

4 “(A) if the Secretary determines that the
 5 research and development is of a basic or fun-
 6 damental nature; or

7 “(B) for a technical analysis, outreach ac-
 8 tivity, or educational program that the Sec-
 9 retary does not expect to result in a marketable
 10 product.

11 **“SEC. 102. DEMONSTRATIONS IN CONJUNCTION WITH RE-**
 12 **SEARCH AND DEVELOPMENT.**

13 “(a) REQUIREMENT.—In conjunction with activities
 14 conducted under section 102, the Secretary shall conduct
 15 small-scale demonstrations of hydrogen energy and fuel
 16 cell technologies at self-contained sites in order to evalu-
 17 ate—

18 “(1) the commercial potential of those tech-
 19 nologies; and

20 “(2) the effectiveness of the technologies in typ-
 21 ical use.

22 “(b) FEDERAL FUNDING.—The Secretary shall carry
 23 out the demonstrations authorized under this section
 24 through solicitations of proposals and evaluations using
 25 competitive merit review.

1 “(c) COST SHARING.—

2 “(1) IN GENERAL.—The Secretary shall require
3 a commitment from non-Federal sources of at least
4 50 percent of the costs directly relating to a dem-
5 onstration project under this section, as determined
6 by the Secretary.

7 “(2) REDUCTION.—The Secretary may reduce
8 the cost sharing requirement under paragraph (1) if
9 the Secretary determines that the reduction is ap-
10 propriate considering the technological risks involved
11 in the project.

12 **“SEC. 103. PUBLIC EDUCATION, TRAINING, AND TECH-**
13 **NOLOGY TRANSFER.**

14 “(a) PUBLIC EDUCATION.—The Secretary shall con-
15 duct a public education program designed to increase pub-
16 lic interest in and acceptance of hydrogen energy and fuel
17 cell technologies.

18 “(b) TRAINING.—

19 “(1) IN GENERAL.—The Secretary shall carry
20 out a program to promote university-based training
21 in critical skills for research in, production of, and
22 use of hydrogen energy and fuel cell technologies.

23 “(2) COMPONENTS.—The program under this
24 subsection may include—

1 “(A) the provision of research fellowships
2 at universities;

3 “(B) the establishment of centers of excel-
4 lence in critical technologies;

5 “(C) the provision of internships in indus-
6 try; and

7 “(D) the implementation of such other
8 measures as the Secretary deems appropriate.

9 “(c) TECHNOLOGY TRANSFER.—

10 “(1) IN GENERAL.—The Secretary shall carry
11 out a program to transfer critical hydrogen energy
12 and fuel cell technologies to the private sector in
13 order to promote—

14 “(A) greater understanding of those tech-
15 nologies; and

16 “(B) more widespread use of the results of
17 research conducted under this Act.

18 “(2) FOREIGN COUNTRIES.—The Secretary
19 shall carry out a program to accelerate wider appli-
20 cation of hydrogen energy and fuel cell technologies
21 in foreign countries in order to—

22 “(A) increase the global market for the
23 technologies; and

24 “(B) foster global development without
25 harmful environmental effects.

1 “(3) EXCHANGE OF INFORMATION AND TECH-
 2 NOLOGY.—The Secretary shall foster the exchange
 3 of generic, nonproprietary information and tech-
 4 nology developed in accordance with this title among
 5 industry, academia, and Federal agencies.

6 “(4) INVENTORY AND ASSESSMENT.—In car-
 7 rying out paragraphs (1) and (2), the Secretary
 8 shall complete an inventory and assessment of the
 9 technical and commercial viability of hydrogen pro-
 10 duction, delivery, storage, and use technologies and
 11 fuel cell technologies.

12 **“SEC. 104. REPORT.**

13 “(a) REQUIREMENT.—Not later than 1 year after the
 14 date of enactment of the Hydrogen and Fuel Cell Energy
 15 Act of 2003, and biennially thereafter, the Secretary shall
 16 submit to Congress a report on the status of and progress
 17 in implementing the programs under this title.

18 “(b) CONTENTS.—A report under subsection (a) shall
 19 include, in addition to any opinions and recommendations
 20 of the Secretary—

21 “(1) an assessment of—

22 “(A) the effectiveness of the programs
 23 under this title; and

24 “(B) the extent to which the programs are
 25 meeting the purposes of this Act;

1 “(2) recommendations of the Panel for any im-
2 provements in the programs that are needed, includ-
3 ing recommendations for additional legislation; and

4 “(3) to the maximum extent practicable, an
5 analysis of related Federal, State, local, and private
6 sector research, development, and demonstration ac-
7 tivities to identify productive areas for increased
8 intergovernmental and private-public sector collabo-
9 ration.

10 **“SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

11 “(a) HYDROGEN ACTIVITIES.—There are authorized
12 to be appropriated to carry out activities under this title
13 relating to hydrogen energy (in addition to any amounts
14 made available for those purposes under other Acts of
15 Congress)—

16 “(1) \$100,000,000 for fiscal year 2004;

17 “(2) \$125,000,000 for fiscal year 2005;

18 “(3) \$150,000,000 for fiscal year 2006;

19 “(4) \$160,000,000 for fiscal year 2007;

20 “(5) \$170,000,000 for fiscal year 2008;

21 “(6) \$180,000,000 for fiscal year 2009; and

22 “(7) \$190,000,000 for fiscal year 2010.

23 “(b) FUEL CELL ACTIVITIES.—There are authorized
24 to be appropriated to carry out activities under this title
25 relating to fuel cells (in addition to any amounts made

1 available for those purposes under other Acts of Con-
 2 gress)—

3 “(1) \$100,000,000 for fiscal year 2004;

4 “(2) \$125,000,000 for fiscal year 2005;

5 “(3) \$150,000,000 for fiscal year 2006;

6 “(4) \$125,000,000 for fiscal year 2007;

7 “(5) \$100,000,000 for fiscal year 2008;

8 “(6) \$100,000,000 for fiscal year 2009; and

9 “(7) \$100,000,000 for fiscal year 2010.

10 **“TITLE II—DEMONSTRATIONS**

11 **“SEC. 201. FEDERAL FUEL CELL AND HYDROGEN INFRA- 12 **STRUCTURE PILOT PROJECTS.****

13 “(a) PROGRAM.—The Secretary shall carry out a pro-
 14 gram of pilot projects to demonstrate the viability of fuel
 15 cells and associated hydrogen fueling infrastructure in in-
 16 tegrated service in a variety of applications, including—

17 “(1) fuel cell vehicles in light-duty vehicle fleets;

18 “(2) heavy-duty fuel cell on-road and off-road
 19 vehicles;

20 “(3) stationary fuel cells in residential and com-
 21 mercial buildings; and

22 “(4) portable fuel cells, including auxiliary
 23 power units in trucks.

24 “(b) PARTICIPANTS.—

1 “(1) ELIGIBILITY.—A Federal, State, tribal, or
 2 local government agency, academic or other non-
 3 profit organization, or private entity shall be eligible
 4 to participate in a pilot project under subsection (a).

5 “(2) SELECTION.—

6 “(A) FEDERAL.—The Secretary shall—

7 “(i) consult with Federal agencies (in-
 8 cluding fleet and building managers) to
 9 identify potential pilot projects; and

10 “(ii) select the projects that best meet
 11 the criteria described in subparagraph (C).

12 “(B) NON-FEDERAL.—The Secretary
 13 shall—

14 “(i) solicit proposals for projects from
 15 eligible non-Federal entities; and

16 “(ii) evaluate the proposals using
 17 competitive merit review.

18 “(C) CRITERIA.—The criteria for selecting
 19 pilot projects shall include—

20 “(i) potential to further the purposes
 21 of this Act;

22 “(ii) interest and capability of the
 23 participating entities;

24 “(iii) appropriateness of the site for
 25 fueling infrastructure and for fuel cells;

1 “(iv) educational potential and visi-
2 bility to the public;

3 “(v) geographic diversity;

4 “(vi) a wide range of climate and op-
5 erating environments;

6 “(vii) preference for using fueling in-
7 frastructure for both fuel cell vehicles and
8 stationary fuel cells;

9 “(viii) preference for making fueling
10 infrastructure available for public use; and

11 “(ix) such other criteria as the Sec-
12 retary considers appropriate for the suc-
13 cess of the projects.

14 “(3) COST SHARING.—The Secretary may re-
15 quire a commitment from a participating Federal
16 agency based on the costs that the agency would
17 incur for vehicles, power, or other services provided
18 by the pilot projects if the vehicles, power, or other
19 services were not so provided.

20 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized and to be appropriated to carry out this
22 section—

23 “(1) \$40,000,000 for fiscal year 2004;

24 “(2) \$200,000,000 for fiscal year 2005;

25 “(3) \$250,000,000 for fiscal year 2006;

1 “(4) \$250,000,000 for fiscal year 2007;

2 “(5) \$160,000,000 for fiscal year 2008;

3 “(6) \$120,000,000 for fiscal year 2009; and

4 “(7) \$60,000,000 for fiscal year 2010.

5 **“SEC. 202. HYDROGEN TRANSPORTATION CORRIDOR AND**
 6 **REGIONAL PILOT PROJECTS.**

7 “(a) PROGRAM.—

8 “(1) IN GENERAL.—The Secretary shall carry
 9 out a program of pilot projects to demonstrate the
 10 viability of hydrogen-powered vehicles and hydrogen
 11 fueling infrastructure along major transportation
 12 routes or in entire regions.

13 “(2) VEHICLES.—Hydrogen-powered vehicles
 14 eligible for the pilot projects include—

15 “(A) hybrid electric vehicles that burn hy-
 16 drogen; and

17 “(B) fuel cell vehicles.

18 “(3) FUELING INFRASTRUCTURE.—A pilot
 19 project shall include multiple hydrogen fueling sta-
 20 tions so that vehicles may refuel throughout the
 21 transportation route or region that the pilot project
 22 is intended to cover.

23 “(b) PARTICIPANTS.—

24 “(1) CONSORTIA.—The Secretary shall solicit
 25 proposals for projects from consortia that include

1 State or local governments, vehicle manufacturers,
2 manufacturers of hydrogen fueling equipment, aca-
3 demic institutions or consulting organizations, and
4 other entities necessary for the success of the
5 projects.

6 “(2) CRITERIA.—The criteria for selecting pilot
7 projects shall include—

8 “(A) interest and capability of the partici-
9 pating entities;

10 “(B) suitability of the location for vehicles
11 that can be refueled only at the stations pro-
12 vided in the project;

13 “(C) diversity of uses and users of the ve-
14 hicles in the project;

15 “(D) educational potential and visibility to
16 the public;

17 “(E) preference for using fueling infra-
18 structure for both fuel cell vehicles and sta-
19 tionary fuel cells;

20 “(F) preference for making fueling infra-
21 structure available for public use; and

22 “(G) such other criteria as the Secretary
23 considers appropriate for the success of the
24 projects.

1 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
 2 are authorized to be appropriated to carry out this sec-
 3 tion—

4 “(1) \$10,000,000 for fiscal year 2004;

5 “(2) \$30,000,000 for fiscal year 2005;

6 “(3) \$50,000,000 for fiscal year 2006;

7 “(4) \$75,000,000 for fiscal year 2007;

8 “(5) \$85,000,000 for fiscal year 2008;

9 “(6) \$85,000,000 for fiscal year 2009; and

10 “(7) \$40,000,000 for fiscal year 2010.

11 **“SEC. 203. INTERNATIONAL DEMONSTRATIONS.**

12 “(a) PROGRAM.—

13 “(1) IN GENERAL.—The Secretary, in consulta-
 14 tion with the Administrator of the Agency for Inter-
 15 national Development, shall carry out a program of
 16 demonstrations of fuel cells and associated hydrogen
 17 fueling infrastructure in foreign countries.

18 “(2) PURPOSES.—The purposes of the dem-
 19 onstrations shall be to—

20 “(A) demonstrate the use of hydrogen en-
 21 ergy and fuel cells in places where a fossil fuel
 22 energy infrastructure is not already well devel-
 23 oped;

24 “(B) increase the global market for fuel
 25 cell and hydrogen energy technologies; and

1 “(C) promote global development without
2 harmful environmental effects.

3 “(3) ELIGIBLE TECHNOLOGIES.—The program
4 may demonstrate—

5 “(A) fuel cell vehicles in light-duty vehicle
6 fleets;

7 “(B) heavy-duty fuel cell on-road and off-
8 road vehicles;

9 “(C) stationary fuel cells in residential and
10 commercial buildings; and

11 “(D) portable fuel cells, including auxiliary
12 power units in trucks.

13 “(b) PARTICIPANTS.—

14 “(1) ELIGIBILITY.—A foreign nation, nonprofit
15 organization, or private entity shall be eligible for a
16 pilot project under subsection (a).

17 “(2) COOPERATION.—An eligible entity may
18 perform a project in cooperation with United States
19 nonprofit organizations and private entities.

20 “(3) COST SHARING.—The Secretary may re-
21 duce the requirement under section 205(e) based on
22 the expense of foreign activities and the financial re-
23 sources of participating foreign entities.

1 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
 2 are authorized to be appropriated to carry out this sec-
 3 tion—

4 “(1) \$20,000,000 for fiscal year 2004;

5 “(2) \$50,000,000 for fiscal year 2005; and

6 “(3) \$70,000,000 for each of fiscal years 2006
 7 through 2010.

8 **“SEC. 204. DEMONSTRATIONS OF RENEWABLE PRODUC-**
 9 **TION OF HYDROGEN.**

10 “(a) PROGRAM.—The Secretary shall carry out a pro-
 11 gram of demonstration projects to test the technical and
 12 commercial viability of the production of hydrogen from
 13 renewable resources, including—

14 “(1) production of hydrogen and other commer-
 15 cial products from biomass in biorefineries; and

16 “(2) production and use of hydrogen at a single
 17 farm location in electrofarming, including—

18 “(A) production from—

19 “(i) cultivation and reforming of bio-
 20 mass;

21 “(ii) farm waste; or

22 “(iii) wind power; and

23 “(B) use in—

24 “(i) vehicles;

25 “(ii) equipment; and

1 “(iii) stationary and portable fuel
2 cells.

3 “(b) PARTICIPANTS.—

4 “(1) IN GENERAL.—The Secretary shall select
5 the demonstration projects through solicitation of
6 proposals for funding and evaluation using competi-
7 tive merit review.

8 “(2) CRITERIA.—The criteria for selecting pilot
9 projects shall include—

10 “(A) commercial potential for the tech-
11 nology;

12 “(B) life cycle environmental benefits of
13 the technology;

14 “(C) the potential of the technology to
15 produce suitable hydrogen gas for use in proton
16 exchange membrane fuel cells; and

17 “(D) such other criteria as the Secretary
18 considers appropriate for the success of the
19 projects.

20 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to carry out this sec-
22 tion—

23 “(1) \$10,000,000 for fiscal year 2004;

24 “(2) \$50,000,000 for fiscal year 2005;

25 “(3) \$75,000,000 for fiscal year 2006;

1 “(4) \$75,000,000 for fiscal year 2007;

2 “(5) \$75,000,000 for fiscal year 2008;

3 “(6) \$50,000,000 for fiscal year 2009; and

4 “(7) \$50,000,000 for fiscal year 2010.

5 **“SEC. 205. OPERATION, COST SHARING, AND REPORTING.**

6 “(a) OPERATION.—The equipment used in projects
7 under this title shall be operated by the participating enti-
8 ties in integrated service for a period of not less than 2
9 years.

10 “(b) TRAINING AND TECHNICAL SUPPORT.—The
11 Secretary shall provide such training and technical sup-
12 port as participating entities require to ensure the success
13 of the projects under this title.

14 “(c) DATA COLLECTION, ANALYSIS, AND DISSEMINA-
15 TION.—

16 “(1) AGREEMENTS.—The Secretary shall enter
17 into agreements with participating agencies and pri-
18 vate sector entities providing for the collection of
19 proprietary and nonproprietary information from
20 projects under this title.

21 “(2) PUBLIC AVAILABILITY.—The Secretary
22 shall make available to all interested persons—

23 “(A) technical nonproprietary information
24 collected under agreements under paragraph
25 (1); and

1 “(B) analyses of collected proprietary and
2 nonproprietary information.

3 “(3) PROPRIETARY INFORMATION.—The Sec-
4 retary shall not disclose to the public any propri-
5 etary information collected under agreements under
6 paragraph (1).

7 “(d) COORDINATION.—The Secretary shall ensure co-
8 ordination of the programs under this title with each other
9 and with other Federal hydrogen and fuel cell demonstra-
10 tion programs to improve efficiency, share infrastructure,
11 and avoid duplication of effort.

12 “(e) COST SHARING.—

13 “(1) IN GENERAL.—The Secretary shall require
14 a commitment from non-Federal sources of at least
15 50 percent of the costs relating directly to a dem-
16 onstration project under this title.

17 “(2) REDUCTION.—The Secretary may reduce
18 the non-Federal requirement under paragraph (1) if
19 the Secretary determines that the reduction is ap-
20 propriate considering the technological risks involved
21 in the project.

22 “(f) REPORTS.—Not later than 1 year after the date
23 of enactment of the Hydrogen and Fuel Cell Energy Act
24 of 2003, and annually thereafter, the Secretary shall sub-
25 mit to Congress a report that—

1 “(1) provides an update on the progress of se-
 2 lecting and running the projects under this title;

3 “(2) provides a summary of data collected
 4 under subsection (c) and associated analyses;

5 “(3) assesses the results of the programs; and

6 “(4) recommends any modifications in the pro-
 7 grams that may be necessary to achieve the purposes
 8 of this title.”.

9 **TITLE II—FEDERAL PURCHASES**

10 **SEC. 201. STATIONARY FUEL CELLS IN FEDERAL BUILD-** 11 **INGS.**

12 Section 205 of the Energy Conservation and Produc-
 13 tion Act (42 U.S.C. 6834) is amended by adding at the
 14 end the following:

15 “(e) FUEL CELLS.—

16 “(1) STANDARDS.—Not later than 180 days
 17 after the date of enactment of this subsection, the
 18 Secretary of Energy shall revise Federal building en-
 19 ergy efficiency performance standards to—

20 “(A) require, to the maximum extent tech-
 21 nologically and economically feasible, that each
 22 new Federal building use fuel cells as a primary
 23 power source;

1 “(B) encourage placement of fuel cells in
2 Federal buildings in existence as of the date of
3 enactment of this subsection; and

4 “(C) encourage—

5 “(i) the use of fuel cells to provide
6 heat and power for Federal buildings;

7 “(ii) the making available of extra hy-
8 drogen for use in transportation and port-
9 able fuel cells; and

10 “(iii) the provision of extra power to
11 the electric grid.

12 “(2) STUDY.—The Secretary of Energy, in con-
13 sultation with other Federal agencies as appropriate,
14 shall conduct a study to determine means by which
15 to make effective use of fuel cells in Federal build-
16 ings, including—

17 “(A) the use of fuel cells for high-reliability
18 and uninterruptible power;

19 “(B) the use of fuel cells to provide heat
20 and power for Federal buildings;

21 “(C) the need for modifications in—

22 “(i) building specifications and design;

23 “(ii) building codes;

24 “(iii) construction practices; and

25 “(iv) building operations; and

1 “(D) the identification of measures and in-
 2 centives that would increase use of fuel cells in
 3 Federal buildings.

4 “(3) REPORT.—Not later than 18 months after
 5 the date of enactment of this subsection, the Sec-
 6 retary of Energy shall submit to Congress a report
 7 that describes—

8 “(A) the progress made as of the date of
 9 submission of the report in use of fuel cell
 10 power under paragraph (1); and

11 “(B) the results of the study under para-
 12 graph (2).”.

13 **SEC. 202. ZERO EMISSION VEHICLES IN FEDERAL FLEETS.**

14 Section 203(b) of the Energy Policy Act of 1992 (42
 15 U.S.C. 13212(b)) is amended by adding at the end the
 16 following:

17 “(4) ZERO-EMISSION VEHICLES.—

18 “(A) IN GENERAL.—Except as provided in
 19 subparagraph (B), of the number of vehicles ac-
 20 quired by a Federal fleet in a fiscal year, zero-
 21 emission vehicles shall comprise—

22 “(i) 10 percent in each of fiscal years
 23 2007 and 2008;

24 “(ii) 25 percent in each of fiscal years
 25 2009 and 2010;

1 “(iii) 50 percent in each of fiscal
2 years 2011 and 2012; and

3 “(iv) 75 percent in fiscal year 2013
4 and each fiscal year thereafter.

5 “(B) PARTIAL CREDIT.—The Secretary
6 may count 2 alternative-fuel vehicles that meet
7 Super Ultra Low Emission Vehicle standards
8 issued by the Environmental Protection Agency
9 as equivalent to 1 zero-emission vehicle in meet-
10 ing the deadlines specified in subparagraph (A).

11 “(C) DELAY OF DEADLINES.—If, for a fis-
12 cal year, the Secretary determines that no suit-
13 able commercial vehicle is available for acquisi-
14 tion under subparagraph (A), the Secretary
15 may delay the deadlines for that year and for
16 subsequent years specified in that subparagraph
17 by 1 year.

18 “(5) OVERALL FEDERAL PURCHASES.—The
19 Secretary may promulgate regulations under which
20 the requirements under paragraph (4)(A) would be
21 met with respect to overall Federal purchases rather
22 than by individual Federal fleets.”.

1 **TITLE III—TAX INCENTIVES**

2 **SEC. 301. AMENDMENT OF 1986 CODE.**

3 Except as otherwise expressly provided, whenever in
 4 this title an amendment or repeal is expressed in terms
 5 of an amendment to, or repeal of, a section or other provi-
 6 sion, the reference shall be considered to be made to a
 7 section or other provision of the Internal Revenue Code
 8 of 1986.

9 **SEC. 302. CREDIT FOR FUEL CELL AND HYDROGEN MOTOR** 10 **VEHICLES.**

11 (a) IN GENERAL.—Subpart B of part IV of sub-
 12 chapter A of chapter 1 (relating to foreign tax credit, etc.)
 13 is amended by adding at the end the following new section:

14 **“SEC. 30B. CREDIT FOR FUEL CELL AND HYDROGEN** 15 **MOTOR VEHICLES.**

16 “(a) ALLOWANCE OF CREDIT.—There shall be al-
 17 lowed as a credit against the tax imposed by this chapter
 18 for the taxable year an amount equal to the sum of—

19 “(1) the new qualified fuel cell motor vehicle
 20 credit determined under subsection (b), and

21 “(2) the new qualified hydrogen fuel motor ve-
 22 hicle credit determined under subsection (c).

23 “(b) NEW QUALIFIED FUEL CELL MOTOR VEHICLE
 24 CREDIT.—

1 “(1) IN GENERAL.—For purposes of subsection
2 (a), the new qualified fuel cell motor vehicle credit
3 determined under this subsection with respect to a
4 new qualified fuel cell motor vehicle placed in service
5 by the taxpayer during the taxable year is—

6 “(A) \$4,000, if such vehicle has a gross ve-
7 hicle weight rating of not more than 8,500
8 pounds,

9 “(B) \$10,000, if such vehicle has a gross
10 vehicle weight rating of more than 8,500
11 pounds but not more than 14,000 pounds,

12 “(C) \$20,000, if such vehicle has a gross
13 vehicle weight rating of more than 14,000
14 pounds but not more than 26,000 pounds, and

15 “(D) \$40,000, if such vehicle has a gross
16 vehicle weight rating of more than 26,000
17 pounds.

18 “(2) INCREASE FOR FUEL EFFICIENCY.—

19 “(A) IN GENERAL.—The amount deter-
20 mined under paragraph (1)(A) with respect to
21 a new qualified fuel cell motor vehicle which is
22 a passenger automobile or light truck shall be
23 increased by—

24 “(i) \$1,000, if such vehicle achieves at
25 least 150 percent but less than 175 per-

cent of the 2002 model year city fuel economy,

“(ii) \$1,500, if such vehicle achieves at least 175 percent but less than 200 percent of the 2002 model year city fuel economy,

“(iii) \$2,000, if such vehicle achieves at least 200 percent but less than 225 percent of the 2002 model year city fuel economy,

“(iv) \$2,500, if such vehicle achieves at least 225 percent but less than 250 percent of the 2002 model year city fuel economy,

“(v) \$3,000, if such vehicle achieves at least 250 percent but less than 275 percent of the 2002 model year city fuel economy,

“(vi) \$3,500, if such vehicle achieves at least 275 percent but less than 300 percent of the 2002 model year city fuel economy, and

“(vii) \$4,000, if such vehicle achieves at least 300 percent of the 2002 model year city fuel economy.

1 “(B) 2002 MODEL YEAR CITY FUEL ECON-
 2 OMY.—For purposes of subparagraph (A), the
 3 2002 model year city fuel economy with respect
 4 to a vehicle shall be determined in accordance
 5 with the following tables:

6 “(i) In the case of a passenger auto-
 7 mobile:

“If vehicle inertia weight class is:	The 2002 model year city fuel economy is:
1,500 or 1,750 lbs	43.7 mpg
2,000 lbs	38.3 mpg
2,250 lbs	34.1 mpg
2,500 lbs	30.7 mpg
2,750 lbs	27.9 mpg
3,000 lbs	25.6 mpg
3,500 lbs	22.0 mpg
4,000 lbs	19.3 mpg
4,500 lbs	17.2 mpg
5,000 lbs	15.5 mpg
5,500 lbs	14.1 mpg
6,000 lbs	12.9 mpg
6,500 lbs	11.9 mpg
7,000 or 8,500 lbs	11.1 mpg.

8 “(ii) In the case of a light truck:

“If vehicle inertia weight class is:	The 2002 model year city fuel economy is:
1,500 or 1,750 lbs	37.6 mpg
2,000 lbs	33.7 mpg
2,250 lbs	30.6 mpg
2,500 lbs	28.0 mpg
2,750 lbs	25.9 mpg
3,000 lbs	24.1 mpg
3,500 lbs	21.3 mpg
4,000 lbs	19.0 mpg
4,500 lbs	17.3 mpg
5,000 lbs	15.8 mpg
5,500 lbs	14.6 mpg
6,000 lbs	13.6 mpg
6,500 lbs	12.8 mpg
7,000 or 8,500 lbs	12.0 mpg.

9 “(C) VEHICLE INERTIA WEIGHT CLASS.—
 10 For purposes of subparagraph (B), the term

1 ‘vehicle inertia weight class’ has the same
2 meaning as when defined in regulations pre-
3 scribed by the Administrator of the Environ-
4 mental Protection Agency for purposes of the
5 administration of title II of the Clean Air Act
6 (42 U.S.C. 7521 et seq.).

7 “(3) NEW QUALIFIED FUEL CELL MOTOR VEHI-
8 CLE.—For purposes of this subsection, the term
9 ‘new qualified fuel cell motor vehicle’ means a motor
10 vehicle—

11 “(A) which is propelled by power derived
12 from 1 or more cells which convert chemical en-
13 ergy directly into electricity by combining oxy-
14 gen with hydrogen fuel which is stored on board
15 the vehicle in any form,

16 “(B) which, in the case of a passenger
17 automobile or light truck has received a certifi-
18 cate of conformity under the Clean Air Act and
19 meets the zero emission standard for certifi-
20 cation under the Clean Air Act for the make
21 and model year of the vehicle,

22 “(C) the original use of which commences
23 with the taxpayer,

24 “(D) which is acquired for use or lease by
25 the taxpayer and not for resale, and

1 “(E) which is made by a manufacturer.

2 “(c) NEW QUALIFIED HYDROGEN FUEL MOTOR VE-
3 HICLE CREDIT.—

4 “(1) ALLOWANCE OF CREDIT.—The new quali-
5 fied hydrogen fuel motor vehicle credit determined
6 under this subsection is an amount equal to the ap-
7 plicable percentage of the incremental cost of any
8 new qualified hydrogen fuel motor vehicle placed in
9 service by the taxpayer during the taxable year.

10 “(2) APPLICABLE PERCENTAGE.—For purposes
11 of paragraph (1), the applicable percentage with re-
12 spect to any new qualified hydrogen fuel motor vehi-
13 cle is—

14 “(A) 50 percent, plus

15 “(B) 30 percent, if such vehicle—

16 “(i) has received a certificate of con-
17 formity under the Clean Air Act and meets
18 or exceeds the most stringent standard
19 available for certification under the Clean
20 Air Act for that make and model year vehi-
21 cle (other than a zero emission standard),
22 or

23 “(ii) has received an order from an
24 applicable State certifying the vehicle for
25 sale or lease in California and meets or ex-

ceeds the most stringent standard available for certification under the State laws of California (enacted in accordance with a waiver granted under section 209(b) of the Clean Air Act) for that make and model year vehicle (other than a zero emission standard).

“(3) INCREMENTAL COST.—For purposes of this subsection, the incremental cost of any new qualified hydrogen fuel motor vehicle is equal to the amount of the excess of the manufacturer’s suggested retail price for such vehicle over such price for a gasoline or diesel fuel motor vehicle of the same model, to the extent such amount does not exceed—

“(A) \$5,000, if such vehicle has a gross vehicle weight rating of not more than 8,500 pounds,

“(B) \$10,000, if such vehicle has a gross vehicle weight rating of more than 8,500 pounds but not more than 14,000 pounds,

“(C) \$25,000, if such vehicle has a gross vehicle weight rating of more than 14,000 pounds but not more than 26,000 pounds, and

1 “(D) \$40,000, if such vehicle has a gross
2 vehicle weight rating of more than 26,000
3 pounds.

4 “(4) NEW QUALIFIED HYDROGEN FUEL MOTOR
5 VEHICLE.—For purposes of this subsection, the term
6 ‘new qualified hydrogen fuel motor vehicle’ means
7 any motor vehicle—

8 “(A) which is only capable of operating on
9 hydrogen fuel,

10 “(B) the original use of which commences
11 with the taxpayer,

12 “(C) which is acquired by the taxpayer for
13 use or lease, but not for resale, and

14 “(D) which is made by a manufacturer.

15 “(d) APPLICATION WITH OTHER CREDITS.—The
16 credit allowed under subsection (a) for any taxable year
17 shall not exceed the excess (if any) of—

18 “(1) the regular tax for the taxable year re-
19 duced by the sum of the credits allowable under sub-
20 part A and sections 27, 29, and 30, over

21 “(2) the tentative minimum tax for the taxable
22 year.

23 “(e) OTHER DEFINITIONS AND SPECIAL RULES.—
24 For purposes of this section—

1 “(1) MOTOR VEHICLE.—The term ‘motor vehi-
2 cle’ has the meaning given such term by section
3 30(c)(2).

4 “(2) 2002 MODEL YEAR CITY FUEL ECON-
5 OMY.—The 2002 model year city fuel economy with
6 respect to any vehicle shall be measured under rules
7 similar to the rules under section 4064(c).

8 “(3) OTHER TERMS.—The terms ‘automobile’,
9 ‘passenger automobile’, ‘light truck’, and ‘manufac-
10 turer’ have the meanings given such terms in regula-
11 tions prescribed by the Administrator of the Envi-
12 ronmental Protection Agency for purposes of the ad-
13 ministration of title II of the Clean Air Act (42
14 U.S.C. 7521 et seq.).

15 “(4) REDUCTION IN BASIS.—For purposes of
16 this subtitle, the basis of any property for which a
17 credit is allowable under subsection (a) shall be re-
18 duced by the amount of such credit so allowed (de-
19 termined without regard to subsection (d)).

20 “(5) NO DOUBLE BENEFIT.—The amount of
21 any deduction or other credit allowable under this
22 chapter—

23 “(A) for any incremental cost taken into
24 account in computing the amount of the credit
25 determined under subsection (d) shall be re-

1 duced by the amount of such credit attributable
2 to such cost, and

3 “(B) with respect to a vehicle described
4 under subsection (b) or (c), shall be reduced by
5 the amount of credit allowed under subsection
6 (a) for such vehicle for the taxable year.

7 “(6) PROPERTY USED BY TAX-EXEMPT ENTI-
8 TIES.—In the case of a credit amount which is al-
9 lowable with respect to a motor vehicle which is ac-
10 quired by an entity exempt from tax under this
11 chapter, the person which sells or leases such vehicle
12 to the entity shall be treated as the taxpayer with
13 respect to the vehicle for purposes of this section
14 and the credit shall be allowed to such person, but
15 only if the person clearly discloses to the entity in
16 any sale or lease document the specific amount of
17 any credit otherwise allowable to the entity under
18 this section and reduces the sale or lease price of
19 such vehicle by an equivalent amount of such credit.

20 “(7) RECAPTURE.—The Secretary shall, by reg-
21 ulations, provide for recapturing the benefit of any
22 credit allowable under subsection (a) with respect to
23 any property which ceases to be property eligible for
24 such credit (including recapture in the case of a

1 lease period of less than the economic life of a vehi-
 2 cle).

3 “(8) PROPERTY USED OUTSIDE UNITED
 4 STATES, ETC., NOT QUALIFIED.—No credit shall be
 5 allowed under subsection (a) with respect to any
 6 property referred to in section 50(b) or with respect
 7 to the portion of the cost of any property taken into
 8 account under section 179.

9 “(9) ELECTION TO NOT TAKE CREDIT.—No
 10 credit shall be allowed under subsection (a) for any
 11 vehicle if the taxpayer elects to not have this section
 12 apply to such vehicle.

13 “(10) CARRYBACK AND CARRYFORWARD AL-
 14 LOWED.—

15 “(A) IN GENERAL.—If the credit amount
 16 allowable under subsection (a) for a taxable
 17 year exceeds the amount of the limitation under
 18 subsection (d) for such taxable year (in this
 19 paragraph referred to as the ‘unused credit
 20 year’), such excess shall be allowed as a credit
 21 carryforward for each of the 20 taxable years
 22 following the unused credit year.

23 “(B) RULES.—Rules similar to the rules of
 24 section 39 shall apply with respect to the credit
 25 carryforward under subparagraph (A).

1 “(11) INTERACTION WITH AIR QUALITY AND
 2 MOTOR VEHICLE SAFETY STANDARDS.—Unless oth-
 3 erwise provided in this section, a motor vehicle shall
 4 not be considered eligible for a credit under this sec-
 5 tion unless such vehicle is in compliance with—

6 “(A) the applicable provisions of the Clean
 7 Air Act for the applicable make and model year
 8 of the vehicle (or applicable air quality provi-
 9 sions of State law in the case of a State which
 10 has adopted such provision under a waiver
 11 under section 209(b) of the Clean Air Act), and

12 “(B) the motor vehicle safety provisions of
 13 sections 30101 through 30169 of title 49,
 14 United States Code.

15 “(f) REGULATIONS.—

16 “(1) IN GENERAL.—Except as provided in para-
 17 graph (2), the Secretary shall promulgate such regu-
 18 lations as necessary to carry out the provisions of
 19 this section.

20 “(2) COORDINATION IN PRESCRIPTION OF CER-
 21 TAIN REGULATIONS.—The Secretary of the Treas-
 22 ury, in coordination with the Secretary of Transpor-
 23 tation and the Administrator of the Environmental
 24 Protection Agency, shall prescribe such regulations
 25 as necessary to determine whether a motor vehicle

1 meets the requirements to be eligible for a credit
2 under this section.

3 “(g) TERMINATION.—This section shall not apply to
4 any property purchased after—

5 “(1) in the case of a new qualified fuel cell
6 motor vehicle (as described in subsection (b)), De-
7 cember 31, 2018, and

8 “(2) in the case of a new qualified hydrogen
9 fuel motor vehicle, December 31, 2013.”.

10 (b) CONFORMING AMENDMENTS.—

11 (1) Section 1016(a) is amended by striking
12 “and” at the end of paragraph (27), by striking the
13 period at the end of paragraph (28) and inserting “,
14 and”, and by adding at the end the following new
15 paragraph:

16 “(29) to the extent provided in section
17 30B(e)(4).”.

18 (2) Section 55(c)(2) is amended by inserting
19 “30B(d),” after “30(b)(3)”.

20 (3) Section 6501(m) is amended by inserting
21 “30B(e)(9),” after “30(d)(4),”.

22 (4) The table of sections for subpart B of part
23 IV of subchapter A of chapter 1 is amended by in-
24 serting after the item relating to section 30A the fol-
25 lowing new item:

“Sec. 30B. Credit for fuel cell and hydrogen motor vehicles.”.

1 (c) EFFECTIVE DATE.—The amendments made by
 2 this section shall apply to property placed in service after
 3 the date of the enactment of this Act, in taxable years
 4 ending after such date.

5 **SEC. 303. CREDIT FOR INSTALLATION OF HYDROGEN FUEL-**
 6 **ING STATIONS.**

7 (a) IN GENERAL.—Subpart B of part IV of sub-
 8 chapter A of chapter 1 (relating to foreign tax credit, etc.),
 9 as amended by this Act, is amended by adding at the end
 10 the following new section:

11 **“SEC. 30C. HYDROGEN-FUEL VEHICLE REFUELING PROP-**
 12 **ERTY CREDIT.**

13 “(a) CREDIT ALLOWED.—There shall be allowed as
 14 a credit against the tax imposed by this chapter for the
 15 taxable year an amount equal to 50 percent of the amount
 16 paid or incurred by the taxpayer during the taxable year
 17 for the installation of qualified hydrogen-fuel vehicle re-
 18 fueling property.

19 “(b) LIMITATION.—The credit allowed under sub-
 20 section (a)—

21 “(1) with respect to any retail hydrogen-fuel ve-
 22 hicle refueling property, shall not exceed \$100,000,
 23 and

1 “(2) with respect to any residential hydrogen-
2 fuel vehicle refueling property, shall not exceed
3 \$2,500.

4 “(c) YEAR CREDIT ALLOWED.—The credit allowed
5 under subsection (a) shall be allowed in the taxable year
6 in which the qualified hydrogen-fuel vehicle refueling prop-
7 erty is placed in service by the taxpayer.

8 “(d) DEFINITIONS.—For purposes of this section—

9 “(1) QUALIFIED HYDROGEN-FUEL VEHICLE RE-
10 FUELING PROPERTY.—The term ‘qualified hydrogen-
11 fuel vehicle refueling property’ means a qualified
12 clean-fuel vehicle refueling property (as defined in
13 section 179A(d)) relating to hydrogen fuel.

14 “(2) RESIDENTIAL HYDROGEN-FUEL VEHICLE
15 REFUELING PROPERTY.—The term ‘residential hy-
16 drogen-fuel vehicle refueling property’ means quali-
17 fied hydrogen-fuel vehicle refueling property which is
18 installed on property which is used as the principal
19 residence (within the meaning of section 121) of the
20 taxpayer.

21 “(3) RETAIL HYDROGEN-FUEL VEHICLE RE-
22 FUELING PROPERTY.—The term ‘retail hydrogen-
23 fuel vehicle refueling property’ means qualified hy-
24 drogen-fuel vehicle refueling property which is in-
25 stalled on property (other than property described in

1 paragraph (2)) used in a trade or business of the
 2 taxpayer.

3 “(e) APPLICATION WITH OTHER CREDITS.—The
 4 credit allowed under subsection (a) for any taxable year
 5 shall not exceed the excess (if any) of—

6 “(1) the regular tax for the taxable year re-
 7 duced by the sum of the credits allowable under sub-
 8 part A and sections 27, 29, 30, and 30B, over

9 “(2) the tentative minimum tax for the taxable
 10 year.

11 “(f) BASIS REDUCTION.—For purposes of this title,
 12 the basis of any property shall be reduced by the portion
 13 of the cost of such property taken into account under sub-
 14 section (a).

15 “(g) NO DOUBLE BENEFIT.—No deduction shall be
 16 allowed under section 179A with respect to any property
 17 with respect to which a credit is allowed under subsection
 18 (a).

19 “(h) REFUELING PROPERTY INSTALLED FOR TAX-
 20 EXEMPT ENTITIES.—In the case of qualified hydrogen-
 21 fuel vehicle refueling property installed on property owned
 22 or used by an entity exempt from tax under this chapter,
 23 the person which installs such refueling property for the
 24 entity shall be treated as the taxpayer with respect to the
 25 refueling property for purposes of this section (and such

1 refueling property shall be treated as retail hydrogen-fuel
 2 vehicle refueling property) and the credit shall be allowed
 3 to such person, but only if the person clearly discloses to
 4 the entity in any installation contract the specific amount
 5 of the credit allowable under this section and modifies the
 6 price of such contract to take into account the amount
 7 of such credit.

8 “(i) CARRYFORWARD ALLOWED.—

9 “(1) IN GENERAL.—If the credit amount allow-
 10 able under subsection (a) for a taxable year exceeds
 11 the amount of the limitation under subsection (e) for
 12 such taxable year (referred to as the ‘unused credit
 13 year’ in this subsection), such excess shall be allowed
 14 as a credit carryforward for each of the 20 taxable
 15 years following the unused credit year.

16 “(2) RULES.—Rules similar to the rules of sec-
 17 tion 39 shall apply with respect to the credit
 18 carryforward under paragraph (1).

19 “(j) SPECIAL RULES.—Rules similar to the rules of
 20 paragraphs (4) and (5) of section 179A(e) shall apply.

21 “(k) REGULATIONS.—The Secretary shall prescribe
 22 such regulations as necessary to carry out the provisions
 23 of this section.

24 “(l) TERMINATION.—This section shall not apply to
 25 any property placed in service after December 31, 2018.”.

1 (b) INCENTIVE FOR PRODUCTION OF HYDROGEN AT
 2 QUALIFIED CLEAN-FUEL VEHICLE REFUELING PROP-
 3 erty.—Section 179A(d) (defining qualified clean-fuel ve-
 4 hicle refueling property) is amended by adding at the end
 5 the following new flush sentence:

6 “In the case of hydrogen, paragraph (3)(A) shall be ap-
 7 plied by substituting ‘production, storage, or dispensing’
 8 for ‘storage or dispensing’ both places it appears.”.

9 (c) CONFORMING AMENDMENTS.—(1) Section
 10 1016(a), as amended by this Act, is amended by striking
 11 “and” at the end of paragraph (28), by striking the period
 12 at the end of paragraph (29) and inserting “, and”, and
 13 by adding at the end the following new paragraph:

14 “(30) to the extent provided in section
 15 30C(f).”.

16 (2) Section 55(c)(2), as amended by this Act, is
 17 amended by inserting “30C(e),” after “30B(e)”.

18 (3) The table of sections for subpart B of part IV
 19 of subchapter A of chapter 1, as amended by this Act,
 20 is amended by inserting after the item relating to section
 21 30B the following new item:

“Sec. 30C. Hydrogen-fuel vehicle refueling property credit.”.

22 (d) EFFECTIVE DATE.—The amendments made by
 23 this section shall apply to property placed in service after
 24 the date of the enactment of this Act, in taxable years
 25 ending after such date.

1 **SEC. 304. CREDIT FOR RETAIL SALE OF HYDROGEN FUEL**
 2 **AS MOTOR VEHICLE FUEL.**

3 (a) IN GENERAL.—Subpart D of part IV of sub-
 4 chapter A of chapter 1 (relating to business related cred-
 5 its) is amended by inserting after section 40 the following
 6 new section:

7 **“SEC. 40A. CREDIT FOR RETAIL SALE OF HYDROGEN FUEL**
 8 **AS MOTOR VEHICLE FUEL.**

9 “(a) GENERAL RULE.—For purposes of section 38,
 10 the hydrogen fuel retail sales credit for any taxable year
 11 is the applicable amount for each gasoline gallon equiva-
 12 lent of hydrogen fuel sold at retail by the taxpayer during
 13 such year as a fuel to propel any qualified motor vehicle,
 14 but only if the taxpayer reduces the retail sales price of
 15 such fuel by an equivalent amount of such credit.

16 “(b) DEFINITIONS.—For purposes of this section—
 17 “(1) APPLICABLE AMOUNT.—The term ‘applica-
 18 ble amount’ means as follows:

19 “(A) IN GENERAL.—Except as provided in
 20 subparagraph (B), 50 cents.

21 “(B) HYDROGEN FUEL PRODUCED FROM
 22 RENEWABLE SOURCES.—

23 “(i) IN GENERAL.—In the case of hy-
 24 drogen fuel which is produced from renew-
 25 able sources or from electricity from such
 26 sources, \$1.00.

1 “(ii) RENEWABLE SOURCES.—For
 2 purposes of this subparagraph, the term
 3 ‘renewable sources’ means solar, wind, bio-
 4 mass, and geothermal.

5 “(2) GASOLINE GALLON EQUIVALENT.—The
 6 term ‘gasoline gallon equivalent’ means, with respect
 7 to hydrogen fuel, the amount (determined by the
 8 Secretary) of such fuel having a Btu content of
 9 114,000.

10 “(3) QUALIFIED MOTOR VEHICLE.—The term
 11 ‘qualified motor vehicle’ means any motor vehicle (as
 12 defined in section 30(c)(2)) which meets any appli-
 13 cable Federal or State emissions standards with re-
 14 spect to hydrogen fuel.

15 “(4) SOLD AT RETAIL.—

16 “(A) IN GENERAL.—The term ‘sold at re-
 17 tail’ means the sale, for a purpose other than
 18 resale, after manufacture, production, or impor-
 19 tation.

20 “(B) USE TREATED AS SALE.—If any per-
 21 son uses hydrogen fuel (including any use after
 22 importation) as a fuel to propel any qualified
 23 hydrogen fuel motor vehicle (as defined in sec-
 24 tion 30B(c)(4)) before such fuel is sold at re-
 25 tail, then such use shall be treated in the same

1 manner as if such fuel were sold at retail as a
2 fuel to propel such a vehicle by such person.

3 “(c) NO DOUBLE BENEFIT.—The amount of any de-
4 duction or other credit allowable under this chapter for
5 hydrogen fuel taken into account in computing the amount
6 of the credit determined under subsection (a) shall be re-
7 duced by the amount of such credit attributable to such
8 fuel.

9 “(d) PASS-THRU IN THE CASE OF ESTATES AND
10 TRUSTS.—Under regulations prescribed by the Secretary,
11 rules similar to the rules of subsection (d) of section 52
12 shall apply.

13 “(e) TERMINATION.—This section shall not apply to
14 any fuel sold at retail after December 31, 2018.”.

15 (b) CREDIT TREATED AS BUSINESS CREDIT.—Sec-
16 tion 38(b) (relating to current year business credit) is
17 amended by striking “plus” at the end of paragraph (14),
18 by striking the period at the end of paragraph (15) and
19 inserting “, plus”, and by adding at the end the following
20 new paragraph:

21 “(16) the hydrogen fuel retail sales credit deter-
22 mined under section 40A(a).”.

23 (c) TRANSITIONAL RULE.—Section 39(d) (relating to
24 transitional rules) is amended by adding at the end the
25 following new paragraph:

1 “(11) NO CARRYBACK OF SECTION 40A CREDIT
 2 BEFORE EFFECTIVE DATE.—No portion of the un-
 3 used business credit for any taxable year which is
 4 attributable to the hydrogen fuel retail sales credit
 5 determined under section 40A(a) may be carried
 6 back to a taxable year ending before the date of the
 7 enactment of such section.”.

8 (d) CLERICAL AMENDMENT.—The table of sections
 9 for subpart D of part IV of subchapter A of chapter 1
 10 is amended by inserting after the item relating to section
 11 40 the following new item:

 “Sec. 40A. Credit for retail sale of hydrogen fuel as motor vehicle fuel.”.

12 (e) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to fuel sold at retail after the date
 14 of the enactment of this Act, in taxable years ending after
 15 such date.

16 **SEC. 305. CREDIT FOR STATIONARY AND PORTABLE FUEL**
 17 **CELLS.**

18 (a) BUSINESS PROPERTY.—

19 (1) IN GENERAL.—Subparagraph (A) of section
 20 48(a)(3) (defining energy property) is amended by
 21 striking “or” at the end of clause (i), by adding
 22 “or” at the end of clause (ii), and by inserting after
 23 clause (ii) the following new clause:

24 “(iii) energy-efficient building prop-
 25 erty,”.

1 (2) ENERGY-EFFICIENT BUILDING PROP-
 2 ERTY.—Subsection (a) of section 48 is amended by
 3 redesignating paragraphs (4) and (5) as paragraphs
 4 (5) and (6), respectively, and by inserting after
 5 paragraph (3) the following new paragraph:

6 “(4) ENERGY-EFFICIENT BUILDING PROP-
 7 ERTY.—For purposes of this subsection—

8 “(A) IN GENERAL.—The term ‘energy-effi-
 9 cient building property’ means a fuel cell power
 10 plant that—

11 “(i) generates electricity using an
 12 electrochemical process,

13 “(ii) has an electricity-only generation
 14 efficiency greater than 30 percent, and

15 “(iii) generates at least 0.5 kilowatt of
 16 electricity using an electrochemical process.

17 “(B) LIMITATION.—In the case of energy-
 18 efficient building property placed in service dur-
 19 ing the taxable year, the credit determined
 20 under paragraph (1) for such year with respect
 21 to such property shall not exceed an amount
 22 equal to the lesser of—

23 “(i) 30 percent (10 percent in the
 24 case of taxable years beginning after 2008)
 25 of the basis of such property, including ex-

penditures for labor costs properly allocable to the onsite preparation, assembly, or original installation of the property and for piping or wiring to interconnect such property, or

“(ii) \$1,000 (\$100 for taxable years beginning after 2008) for each kilowatt of capacity of such property.

“(C) SPECIAL RULES.—For purposes of subparagraph (A)(ii)—

“(i) ELECTRICITY-ONLY GENERATION EFFICIENCY.—The electricity-only generation efficiency percentage of a fuel cell power plant is the fraction—

“(I) the numerator of which is the total useful electrical power produced by such plant at normal operating rates, and expected to be consumed in its normal application, and

“(II) the denominator of which is the lower heating value of the fuel source for such plant.

“(ii) DETERMINATIONS MADE ON BTU BASIS.—The electricity-only generation ef-

1 iciency percentage shall be determined on
2 a Btu basis.

3 “(D) FUEL CELL POWER PLANT.—The
4 term ‘fuel cell power plant’ means an integrated
5 system comprised of a fuel cell stack assembly
6 and associated balance of plant components
7 that converts a fuel into electricity using elec-
8 trochemical means.

9 “(E) ENERGY-EFFICIENT BUILDING PROP-
10 PERTY INSTALLED FOR TAX-EXEMPT ENTI-
11 TIES.—In the case of energy-efficient building
12 property installed on property owned or used by
13 an entity exempt from tax under this chapter,
14 the person which installs such building property
15 for the entity shall be treated as the taxpayer
16 with respect to the building property for pur-
17 poses of this section and the credit shall be al-
18 lowed to such person, but only if the person
19 clearly discloses to the entity in any installation
20 contract the specific amount of the credit allow-
21 able under this section and modifies the price of
22 such contract to take into account the amount
23 of such credit.”.

24 (3) LIMITATION.—Section 48(a)(2)(A) (relating
25 to energy percentage) is amended to read as follows:

1 “(A) IN GENERAL.—The energy percent-
2 age is—

3 “(i) in the case of energy-efficient
4 building property placed in service in tax-
5 able years beginning before January 1,
6 2009, 30 percent, and

7 “(ii) in the case of any other energy
8 property, 10 percent.”.

9 (4) CONFORMING AMENDMENTS.—

10 (A) Section 29(b)(3)(A)(i)(III) is amended
11 by striking “section 48(a)(4)(C)” and inserting
12 “section 48(a)(5)(C)”.

13 (B) Section 48(a)(1) is amended by insert-
14 ing “except as provided in paragraph (4)(B),”
15 before “the energy”.

16 (5) EFFECTIVE DATE.—The amendments made
17 by this subsection shall apply to property placed in
18 service after the date of the enactment of this Act,
19 in taxable years ending after such date, under rules
20 similar to the rules of section 48(m) of the Internal
21 Revenue Code of 1986 (as in effect on the day be-
22 fore the date of the enactment of the Revenue Rec-
23 onciliation Act of 1990).

24 (b) NONBUSINESS PROPERTY.—

1 (1) IN GENERAL.—Subpart A of part IV of sub-
 2 chapter A of chapter 1 (relating to nonrefundable
 3 personal credits) is amended by inserting after sec-
 4 tion 25B the following new section:

5 **“SEC. 25C. NONBUSINESS ENERGY-EFFICIENT BUILDING**
 6 **PROPERTY.**

7 “(a) CREDIT ALLOWED.—

8 “(1) IN GENERAL.—In the case of an indi-
 9 vidual, there shall be allowed as a credit against the
 10 tax imposed by this chapter for the taxable year an
 11 amount equal to the nonbusiness energy-efficient
 12 building property expenditures which are paid or in-
 13 curred during such year.

14 “(2) LIMITATION.—The credit allowed under
 15 paragraph (1) with respect to property placed in
 16 service by the taxpayer during the taxable year shall
 17 not exceed an amount equal to the lesser of—

18 “(A) 30 percent (10 percent in the case of
 19 taxable years beginning after 2008) of the basis
 20 of such property, or

21 “(B) \$1,000 (\$100 for taxable years begin-
 22 ning after 2008) for each kilowatt of capacity
 23 of such property.

1 “(b) NONBUSINESS ENERGY-EFFICIENT BUILDING
2 PROPERTY EXPENDITURES.—For purposes of this sec-
3 tion—

4 “(1) IN GENERAL.—The term ‘nonbusiness en-
5 ergy-efficient building property expenditures’ means
6 expenditures made by the taxpayer for nonbusiness
7 energy-efficient building property installed on or in
8 connection with a dwelling unit—

9 “(A) which is located in the United States,
10 and

11 “(B) which is used by the taxpayer as a
12 residence.

13 Such term includes expenditures for labor costs
14 properly allocable to the onsite preparation, assem-
15 bly, or original installation of the property.

16 “(2) NONBUSINESS ENERGY-EFFICIENT BUILD-
17 ING PROPERTY.—The term ‘nonbusiness energy-effi-
18 cient building property’ means energy-efficient build-
19 ing property (as defined in section 48(a)(4)) if—

20 “(A) the original use of such property com-
21 mences with the taxpayer, and

22 “(B) such property meets the standards (if
23 any) applicable to such property under section
24 48(a)(4).

1 “(c) SPECIAL RULES.—For purposes of this sec-
2 tion—

3 “(1) DOLLAR AMOUNTS IN CASE OF JOINT OC-
4 CUPANCY.—In the case of any dwelling unit which is
5 jointly occupied and used during any calendar year
6 as a residence by 2 or more individuals the following
7 shall apply:

8 “(A) The amount of the credit allowable,
9 under subsection (a) by reason of expenditures
10 (as the case may be) made during such cal-
11 endar year by any of such individuals with re-
12 spect to such dwelling unit shall be determined
13 by treating all of such individuals as 1 taxpayer
14 whose taxable year is such calendar year.

15 “(B) There shall be allowable, with respect
16 to such expenditures to each of such individ-
17 uals, a credit under subsection (a) for the tax-
18 able year in which such calendar year ends in
19 an amount which bears the same ratio to the
20 amount determined under subparagraph (A) as
21 the amount of such expenditures made by such
22 individual during such calendar year bears to
23 the aggregate of such expenditures made by all
24 of such individuals during such calendar year.

1 “(2) TENANT-STOCKHOLDER IN COOPERATIVE
 2 HOUSING CORPORATION.—In the case of an indi-
 3 vidual who is a tenant-stockholder (as defined in sec-
 4 tion 216) in a cooperative housing corporation (as
 5 defined in such section), such individual shall be
 6 treated as having made his tenant-stockholder’s pro-
 7 portionate share (as defined in section 216(b)(3)) of
 8 any expenditures of such corporation.

9 “(3) CONDOMINIUMS.—

10 “(A) IN GENERAL.—In the case of an indi-
 11 vidual who is a member of a condominium man-
 12 agement association with respect to a condo-
 13 minium which the individual owns, such indi-
 14 vidual shall be treated as having made his pro-
 15 portionate share of any expenditures of such as-
 16 sociation.

17 “(B) CONDOMINIUM MANAGEMENT ASSO-
 18 CIATION.—For purposes of this paragraph, the
 19 term ‘condominium management association’
 20 means an organization which meets the require-
 21 ments of paragraph (1) of section 528(c) (other
 22 than subparagraph (E) thereof) with respect to
 23 a condominium project substantially all of the
 24 units of which are used as residences.

1 “(4) ALLOCATION IN CERTAIN CASES.—If less
 2 than 80 percent of the use of an item is for nonbusi-
 3 ness purposes, only that portion of the expenditures
 4 for such item which is properly allocable to use for
 5 nonbusiness purposes shall be taken into account.

6 “(5) WHEN EXPENDITURE MADE; AMOUNT OF
 7 EXPENDITURE.—

8 “(A) IN GENERAL.—Except as provided in
 9 subparagraph (B), an expenditure with respect
 10 to an item shall be treated as made when the
 11 original installation of the item is completed.

12 “(B) EXPENDITURES PART OF BUILDING
 13 CONSTRUCTION.—In the case of an expenditure
 14 in connection with the construction or recon-
 15 struction of a structure, such expenditure shall
 16 be treated as made when the original use of the
 17 constructed or reconstructed structure by the
 18 taxpayer begins.

19 “(C) AMOUNT.—The amount of any ex-
 20 penditure shall be the cost thereof.

21 “(6) PROPERTY FINANCED BY SUBSIDIZED EN-
 22 ERGY FINANCING.—For purposes of determining the
 23 amount of nonbusiness energy-efficient building
 24 property expenditures made by any individual with
 25 respect to any dwelling unit, there shall not be taken

1 into account expenditures which are made from sub-
 2 sidized energy financing (as defined in section
 3 48(a)(5)(C)).

4 “(d) BASIS ADJUSTMENTS.—For purposes of this
 5 subtitle, if a credit is allowed under this section for any
 6 expenditure with respect to any property, the increase in
 7 the basis of such property which would (but for this sub-
 8 section) result from such expenditure shall be reduced by
 9 the amount of the credit so allowed.”.

10 (2) CONFORMING AMENDMENTS.—

11 (A) Section 25C(c), as added by subsection
 12 (a), is amended by striking “section 26(a) for
 13 such taxable year reduced by the sum of the
 14 credits allowable under this subpart (other than
 15 this section and section 25D)” and inserting
 16 “subsection (b)(3)”.

17 (B) Section 23(b)(4)(B) is amended by in-
 18 serting “and section 25C” after “this section”.

19 (C) Section 24(b)(3)(B) is amended by
 20 striking “23 and 25B” and inserting “23, 25B,
 21 and 25C”.

22 (D) Section 25(e)(1)(C) is amended by in-
 23 serting “25C,” after “25B,”.

1 (E) Section 25B(g)(2) is amended by
2 striking “section 23” and inserting “sections 23
3 and 25C”.

4 (F) Section 26(a)(1) is amended by strik-
5 ing “and 25B” and inserting “25B, and 25C”.

6 (G) Section 904(h) is amended by striking
7 “and 25B” and inserting “25B, and 25C”.

8 (H) Section 1400C(d) is amended by strik-
9 ing “and 25B” and inserting “25B, and 25C”.

10 (3) ADDITIONAL CONFORMING AMEND-
11 MENTS.—

12 (A) Section 23(c), as in effect for taxable
13 years beginning before January 1, 2004, is
14 amended by striking “section 1400C” and in-
15 serting “sections 25C and 1400C”.

16 (B) Section 25(e)(1)(C), as in effect for
17 taxable years beginning before January 1,
18 2004, is amended by inserting “, 25C,” after
19 “sections 23”.

20 (C) Subsection (a) of section 1016, as
21 amended by this Act, is amended by striking
22 “and” at the end of paragraph (29), by striking
23 the period at the end of paragraph (30) and in-
24 serting “, and”, and by adding at the end the
25 following new paragraph:

1 “(31) to the extent provided in section 25C(f),
 2 in the case of amounts with respect to which a credit
 3 has been allowed under section 25C.”.

4 (D) Section 1400C(d), as in effect for tax-
 5 able years beginning before January 1, 2004, is
 6 amended by inserting “and section 25C” after
 7 “this section”.

8 (E) The table of sections for subpart A of
 9 part IV of subchapter A of chapter 1 is amend-
 10 ed by inserting after the item relating to section
 11 25B the following new item:

“Sec. 25C. Nonbusiness energy-efficient building property.”.

12 (4) EFFECTIVE DATES.—

13 (A) IN GENERAL.—Except as provided by
 14 subparagraph (B), the amendments made by
 15 this subsection shall apply to expenditures after
 16 the date of the enactment of this Act, in taxable
 17 years ending after such date.

18 (B) PARAGRAPH (2).—The amendments
 19 made by paragraph (2) shall apply to taxable
 20 years beginning after December 31, 2003.

○